DECEMBER 7, 1964

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WEST ASIA AND AFRICA
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RECORD CROP EASES
WORLD SUGAR SITUATION

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

DECEMBER 7, 1964

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Zambian farmer seems highly pleased with his year's corn harvest. This and other photos on page 7 were supplied by the Zambia Information Dept.

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The WEST ASIAN and AFRICAN FARM MARKET

—small now but with promising potential for U.S. agricultural exports

Wilhelm Anderson, *Director, Foreign Regional Analysis Division, Economic Research Service, gave the following talk at the Foreign Agricultural Service Seminar, held in Beirut, Lebanon, November 19-23. The seminar was attended by U.S. agricultural attachés from 15 Asian and African posts.*

This morning, I want to talk with you about recent trends and developments in U.S. agricultural trade with West Asia—often called the Near East—and Africa. I hope that my general comments will be helpful to your discussions on expanding U.S. agricultural exports to these regions—the general theme of this conference.

This theme poses both an opportunity and a challenge for you. An opportunity because we know that potential markets do exist in these regions for both dollar and concessional sales. Except for Israel and the southern tip of Africa, all of the people in West Asia and Africa live in countries with nutritionally inadequate average diets. We now stand at the threshold of an era—an era in which no one will have to endure such inadequacies, at least not in the Free World.

The theme is also a challenge. We know that most developing countries in West Asia and Africa cannot today be considered important cash customers for our farm products. They simply don't have the incomes or the means to pay for large amounts of imported goods. Yet we also know that developing countries are potential markets which we must look to in the future if we are to find the outlets to equal the production capabilities of U.S. farms.

Our exports trending upward

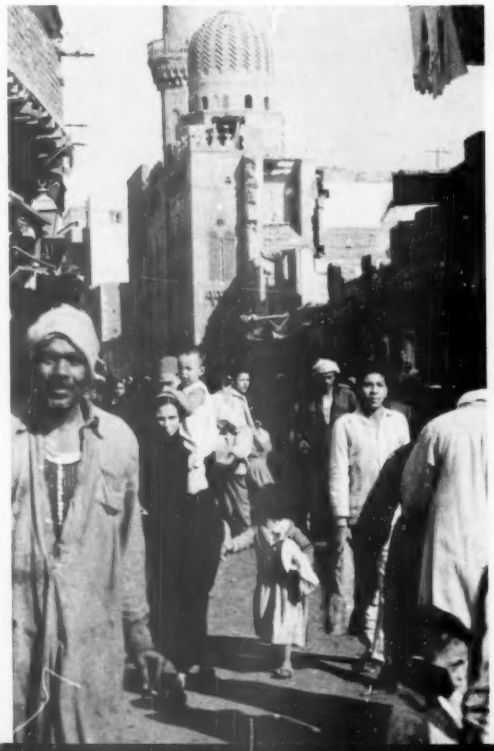
If recent trends in U.S. agricultural exports provide clues to future developments, we should be somewhat encouraged about chances for exporting more farm goods to West Asia and Africa. During the past 5 years, our total agricultural exports to these regions have risen in volume as well as in share of our overall total exports.

In fiscal 1964, West Asia and Africa took $583 million worth of agricultural products from the United States, more than 2½ times the $214 million just 6 years ago. The share of total U.S. farm product exports that went to these regions amounted to nearly 10 percent. That compares with less than 6 percent in 1958.

The greatest gains occurred in Africa. Our farm exports in fiscal 1964 totaled $379 million, slightly above the previous year's $334 million, but 5 times the 1958 level of $70 million. Also, Africa took 6.3 percent of our agricultural exports that year compared with only 2 percent in 1958. Most of our exports to Africa were under government-financed programs, especially Public Law 480 Title I sales for foreign currency, and much of this went to UAR (Egypt), the ninth ranking market in the world for U.S. farm goods.

U.S. farm exports to West Asia since 1958 have increased in absolute amount but have just kept pace in share of the overall total. In 1963, West Asia took a near-record

Left, street scene in Cairo, and right, unloading U.S. wheat in Alexandria. Egypt imports nearly one-fourth of its food because of pressure on the land.



$204 million, about 60 percent above the 1958 total of $125 million. The share of total U.S. farm product exports that went to West Asia in 1963 amounted to 3.3 percent, about the same proportion as in 1958.

Imports also gaining

Africa's agricultural export trade with the United States is also sizable. In 1963, Africa exported $399 million worth of farm commodities to the United States, about 18 percent above the 1958 level. But gains in agricultural shipments to the United States are not keeping pace with total African shipments to us. In 1958, Africa's agricultural products accounted for 60 percent of the value of all its shipments to the United States. By 1963, the percentage dropped to slightly more than half, mainly because of the decline in average prices for Africa's agricultural exports.

West Asia's agricultural exports to the United States have remained relatively stable in recent years. Value of the area's total farm exports to the United States in 1963 was $98 million, slightly more than in 1958. But during the same period, the value of nonagricultural goods sent to the United States declined—from $322 million in 1958 to $275 million in 1963.

Big buying in wheat and rice

The spectacular rise in exports of U.S. agricultural commodities to West Asia and Africa is due to increased shipments of wheat and wheat flour to meet food shortages. They went up nearly fivefold since 1958, and last year made up 50 percent of the total value of all U.S. agricultural exports to these regions.

What has highlighted U.S. commodity exports to West Asia and Africa the past 3 or 4 years has been the large increase in the movement of rice. The $40.2 million of rice exports in 1963 were 10 times greater than they were 5 years ago. The rice has gone mostly to Saudi Arabia, the Republic of South Africa, Liberia, Congo (Leopoldville), and Ghana.

The tremendous increase in our rice exports to the Republic of South Africa—from $51,000 in 1952 to $8.7 million in 1963—is an example of what has been done to expand our commercial exports in West Asia and Africa. The Republic of South Africa has become the second leading dollar rice market for the United States.

I understand that much of the credit for this achievement goes to a vigorous market development program—launched 2 years ago by the U.S. rice industry and FAS. Now, with its present 90-percent share of the South African rice market, the U.S. rice industry believes the direction for future promotion lies in broadening the base of the program by including Africans in consumer advertising, and by selling to the South African industrial trade where the sales potentials look very promising.

Other commodities shipped

The value of U.S. vegetable oils exported to West Asia and Africa, principally to Turkey and Morocco, rose from $32 million in 1958 to $49 million in 1963—an increase of more than 50 percent.

During the same period, the value of U.S. tobacco shipments to West Asia nearly doubled, from $1.3 million to $2.5 million. This gain, however, was more than offset by a $5-million decline in the value of our tobacco exports to Africa—from $13.5 million in 1958 to $8.5 million in 1963.

The value of U.S. exports of dairy products to Africa has risen steadily in recent years—from about $500,000 in 1958 to $13 million (excluding donations) in 1963. In contrast, the value of U.S. exports of dairy products to West Asia in recent years has changed very little; it has remained at about $4.0 million a year.

Political transition affects trade

There are many factors—some political, but mostly economic—which affect markets for U.S. agricultural products in West Asia and Africa.

Any consideration of markets for agricultural products, particularly in Africa, must take into account the political transition taking place throughout this continent. Africa contains some 60 political jurisdictions, of which 36 have achieved national sovereignty. Others will undoubtedly join this list of independent nations on this vast continent, which covers almost one-fourth of the world's land area and contains 10 percent of the world's population.

It is hazardous to generalize about how these political transitions will affect U.S. agricultural markets. Thus far, most emerging nations have continued their trade associations with their mother country. Generally, however, African countries are trading more with each other and with a larger number of non-African countries than they were in the middle 1950's.

The new African association

Many have expressed great interest in the Associated Overseas Countries (AOC), which could very well affect our markets. This is of particular importance with respect to the new Convention of Association signed on June 1, 1964, linking 18 African countries with the European Economic Community. Essentially, this Convention provides for extension of reciprocal tariff preferences and elimination of quantitative restrictions on trade between the EEC and the associated countries. An exception to the extension of tariff preferences to EEC products has been granted to Congo (Leopoldville) for 3 years, since the Congo has traditionally kept an open-door commercial policy, with no preferential tariffs.

Political unrest in the less developed countries can have a disruptive influence on their agricultural production and trade. The strife in the Congo is an example. Exports of U.S. agricultural commodities to meet food shortages in that country have increased greatly in recent years, principally under P.L. 480 programs.

Continued unrest in some African nations may be expected as old institutions and traditions disappear and new ones evolve. But Africa's promise is as great as its problems. The African continent is rich in natural resources, and as it moves ahead to attain its goals, it can look forward to a future that holds much promise for political, social, and economic development.

How we're meeting competition

Many economic factors must also be considered in estimating the potential market for U.S. agricultural products in West Asia and Africa. But, before looking ahead, let's pause for a moment and see how well we are doing in competing for existing commercial markets for agricultural products in Africa.

From looking at our large shipments of agricultural products to West Asia and Africa, it would appear that we are doing well in meeting the competition of friendly suppliers. In 1961, the latest year for which we have complete

trade statistics on these areas, the United States accounted for more than half the combined value of West Asian and African imports of wheat and wheat flour, dairy products, tobacco, and oilseeds and products—some of our leading agricultural export commodities. The United States supplied more than 70 percent of the value of wheat and wheat flour.

We can also point out that for the same year, we supplied nearly 45 percent of the region's imports of oilseeds and products, a third of their imports of tobacco, but less than 10 percent of their imports of dairy products.

But, to be fair with ourselves and with our competitors, we must admit that most of our sales in recent years were made under the Food for Peace program, and, therefore, were in addition to the normal commercial sales from the United States and from our friendly supplying countries. For example, our commercial sales of farm goods last year to West Asia and Africa amounted to $140 million, accounting for only 25 percent of the total value of U.S. farm exports to these regions. U.S. agricultural exports under government-financed programs accounted for 83 percent of the value of U.S. farm shipments to Africa, and 60 percent of the value of U.S. agricultural exports to West Asia.

Trade barriers hamper expansion

Taking P.L. 480 sales into account, I can only conclude that the United States has not thus far done as well in competing for commercial markets in Africa and West Asia as it has in other parts of the world.

Our failure to get a bigger share of the commercial agricultural market in Africa and West Asia reflects in part the competitive advantage enjoyed by some of our friendly supplying countries. It is also a result of the trade barriers which in the past have obstructed and continue to obstruct U.S. trade in agricultural products in these regions. And, although we keep trying to lower the trade barriers and trade preferences that limit our farm product shipments to West Asia and Africa, we know that the process is slow.

Equally important to increasing our exports to agricultural products to these regions could be the efforts of private U.S. exporters by market development programs to change existing trade patterns which have been institutionalized in favor of our competitors by tradition.

Self-sufficiency the common goal

An important factor affecting import requirements for agricultural products in Africa and West Asia is the ability of the countries to gain virtual self-sufficiency in foods and fibers—the goal of all less-developed countries.

Agricultural production in West Asia and Africa has been increasing rapidly in recent years. In West Asia it is up 39 percent over the 1952-54 base period. And it is up 34 percent in Africa. But despite these gains, agricultural production has just barely kept pace with the rapid increases in population in these regions.

Population increasing rapidly

Population growth is a major factor affecting the pressure upon agricultural supplies. Africa's population is now about 300 million people and is increasing at a rate slightly under 2.5 percent a year. The population of West Asia, now about 80 million people, is increasing at a rate slightly above 2.5 percent.

The rapid population growth is likely to exert strong pressures on the economies of countries in these regions. Increased investments in health and education will be demanded, and if social unrest is to be avoided, great efforts will have to be made to promote employment. Above all, food requirements will increase, which will have to be met with increased agricultural production or by imports.

Unlike other developing areas of the world, there is little pressure of population on land in Africa and West Asia. Notable exceptions are Israel and particularly the UAR. Because the UAR has less than one-fourth acre of cultivated land per person it must now import nearly one-fourth of its total food supply—an exceptionally high percentage for an agricultural country.

Buying power lacking

Income levels, combined with income growth rates, rank second only to population among factors influencing demand for food and other agricultural products. With rising incomes, people eat more food and particularly higher quality and more expensive foods, which call for improvements in domestic production, increases in agricultural imports, or both.

The level of income for Africa is one of the lowest in the world. Its GNP was only $120 per capita in 1962—ranging from a low of $40 in about a fourth of the countries to a high of $450 in the Republic of South Africa, which accounts for about a fourth of Africa's GNP of $34 billion.

The per capita income for West Asia is considerably higher than for Africa and most other less developed areas of the world. In 1962 the per capita GNP for this area amounted to about $250.

In terms of total income, the combined GNP of West Asia and Africa amounted to $54 billion in 1962, a little more than the GNP of Japan ($53 billion), which is now our leading market for farm products. So obviously, in view of the low income levels in Africa and West Asia, our potential commercial markets in these regions must necessarily remain limited.

$270-million increase seen

Nevertheless, although our commercial markets for farm goods in West Asia and Africa are now very small, there are 380 million people in these regions with low but rising per capita incomes. They offer possibilities for expanding U.S. agricultural exports to these regions, particularly if their diets are to be upgraded to nutritional adequacy. The *World Food Budget, 1970* shows that the annual food deficit for the Africa and West Asia regions was about $450 million in the period 1959-61 but will be reduced to about $345 million by 1970.

Other projections in the *World Food Budget, 1970* suggest that the total value of our food exports (both commercial and concessional) to West Asia and Africa will increase in value from about $400 million in the 1959-61 base period to about $671 million in 1970, or an increase of about $270 million over the 10 years.

U.S. exports of vegetable oils, especially to West Asia and North Africa, will probably account for about half of the projected increase. U.S. wheat exports are expected to increase to Africa but not to West Asia, and will account for about a fifth of the expected increase. Dairy products will account for about 10 percent; and rice, coarse grains, lard and tallow, meats, pulses, and fruits and vegetables account for the remainder.

World Sugar Situation Eased as New Crop Sets Record

By LESLIE C. HURT
Sugar and Tropical Products Division
Foreign Agricultural Service

World sugar production for the 1964-65 crop year has been placed at 65.7 million short tons (raw value), according to the first estimate of the Foreign Agricultural Service, released on November 27. This would be the largest sugar crop ever produced, exceeding the previous year's by 11 percent and the 1960-61 record by about 9 percent.

This large crop is considerably easing the world supply position and has resulted in lower prices. On November 20, the world price of sugar, raw value, f.o.b. Caribbean basis, was 3.20 cents per pound, compared with 10.25 cents at the beginning of the year.

High prices stimulate output

The world sugar situation during the past 2 years has been dynamic. Successive poor crops in Europe in 1961-62 and 1962-63 and sharply reduced production in Cuba were the principal factors contributing to tight supplies and high prices in 1963 and the first half of 1964.

Stocks were reduced to about 10.5 million tons by the end of 1963-64. The 1964-65 crop not only will provide ample supplies for growing consumption, but will result in some rebuilding of these low inventories.

The large crop this year reflects the response of many countries to the recent high prices and very good weather in key producing countries. Sugar production is increasing on all continents. Many countries are endeavoring to become more nearly self-sufficient in sugar production, while exporting countries generally wish to increase their export availabilities and rebuild their low inventories. It is probable that future increases in the production of cane sugar will be larger than those for beet sugar. The former now accounts for about 55 percent of total production.

USSR leads as producer

Sugar production is increasing both in the Sino-Soviet Bloc (including Cuba) and the Free World. The increase in 1964-65 production over 1963-64 is about equally divided between the two, with the former accounting for 20 million tons of this year's crop.

Recent increases in the Bloc production have been primarily due to acreage expansion in the USSR, currently the largest sugar-producing country in the world. Yields per acre there, however, are low. Weather conditions were generally favorable for the crop this year, in contrast to a year ago when severe drought seriously affected the crop.

Cuban production reached a peak of 7.5 million tons in 1960-61 but declined in following years to 4 million tons in 1963-64. Some recovery is expected in the next few years. Mechanization reportedly is being stressed, as labor was short for harvesting even the smaller 1963-64 crop.

U. S. acreage restricted

The United States is the largest sugar producer in the Free World. The 1964-65 crop, including output in Hawaii, Puerto Rico, and the Virgin Islands, is estimated at a record 6.8 million tons, compared with the previous record in 1963-64 of 6.4 million tons.

U.S. acreage restrictions will be in effect on both domestic beets and cane in 1965. This will be the first year since 1960 for either beet or cane acreage restrictions. The sugarbeet acreage in 1965 will be limited to 1,375,000 acres, compared with 1,458,095 acres in 1964, and the domestic cane acreage will be limited to 486,000 acres, compared with 650,000 acres planted in 1964.

Latin American harvest

With regard to other Western Hemisphere countries, Mexico is moving toward much larger production. The State of Vera Cruz accounts for about half of the total crop; however, new cane areas are being opened in other parts of the country. The 1964-65 crop is estimated at 2.4 million tons, and important further gains are planned by 1970. A line of credit granted by the French Government in June 1963 for $150 million included $40 million for expansion of the Mexican sugar industry.

Sugar production in the Dominican Republic, a large producer, has been rather stable in the past few years. Domestic consumption there amounts generally to less than 15 percent of production.

Brazil is the largest sugar producer in South America, and plans call for considerable further expansion in the next 5 years. Already Brazil is diverting some of its coffee acreage to sugarcane. Increases will be needed to meet expanding domestic consumption requirements which are already high and increasing at a fast rate.

Argentina is expected to have almost as large a crop this year as in 1963-64, but government policy will, to a large degree determine levels of future crops. Although annual average production may not increase substantially, a relatively steady and assured supply will probably be available to meet domestic and export requirements.

Peru may have a slightly larger 1964-65 crop than that of the previous year, which was reduced because of an early and cold winter and labor difficulties. A moderate increase was made in planted area in 1964, and mill capacity is also being expanded. Research with new varieties of sugarcane is being continued as part of a long-range program.

Some gains in Western Europe

Western Europe's 1964-65 production is up by 0.65 million tons, even though France and West Germany, the two leading producers, show little change. The area devoted to sugarbeets in France in 1964 was up by nearly 17 percent, but drought reduced yields so that beet production and sugar outturn will be little above last year. Sugar production in West Germany this year will approximate the bumper 1963-64 crop. Beet yields are lower this year, offsetting an expansion of sugarbeet areas and a record extraction rate. The Federal Ministry of Agriculture for West Germany has been developing plans for an improved mill processing.

Italy and the United Kingdom each produce about a million tons of sugar annually. Both of these countries are net importers, with the former importing about ½ million tons per year and the latter about 2.7 million tons. Acreage was increased from 423,000 acres in 1963-64 in the United

(Continued on page 16)

Copper-Producing Zambia Strives for a More Balanced Economy

Zambia, formerly known as Northern Rhodesia, entered the community of free nations on October 24 with a highly favorable trade balance but with an economy geared largely to copper, of which it is the world's third largest producer. Copper exports alone totaled $329 million in 1963.

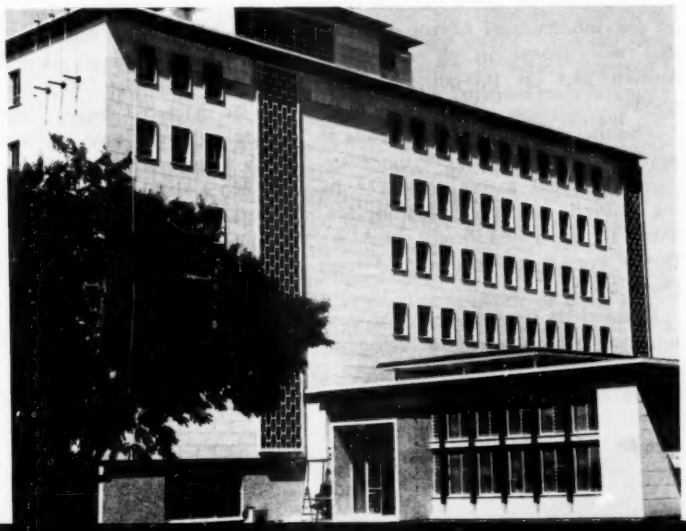
Acutely conscious of its economic one-sidedness, this big, new African nation—which is considerably larger than Texas—has set its sights on building up agriculture into an industry second only to copper as a source of national wealth. The country has the land and the rainfall needed. It is already practically self-sufficient in food, except for wheat and some meat, which must be imported, and is expanding rapidly as an exporter of flue-cured tobacco—25 million pounds this year compared to 15 million in 1963. It also exports peanuts of a very high grade, and in some years, corn.

Still, agriculture contributes only about 12 percent to the country's national product, and it is to raise this share that the government has embarked on a program to upgrade agricultural education, transport, and marketing.

Top, native cattle are driven to sale yards. Below, farmers prefer to keep cattle so cash is paid to stimulate selling.

Top, farmer tends his peanut crop. Used for confectionery, Zambia's peanuts bring high prices. Below, corn is country's chief food crop.

The new Land Bank in Lusaka, the country's capital. Since its opening in 1953, bank has provided $14 million in long-term loans to farmers.



Cotton Industry Will Launch Pilot Promotion In Netherlands With Merchandising Campaign

A merchandising campaign in the Netherlands next spring will kick off the most concentrated market development program yet undertaken to promote U.S. cotton overseas.

Cotton Council International has announced that the backbone of its 3-year pilot promotion will be a series of ads publicizing cotton products. Previous activities in the Dutch program have been limited to such merchandising techniques as fashion shows and Cotton Weeks.

The Dutch cotton trade, in turn, will more than match the volume of CCI advertising, and will sponsor merchandising campaigns in retail outlets.

With 85 percent of the Dutch family budget being spent by the housewife, advertising will be primarily in women's magazines, next in newspapers because of their role in molding public opinion.

Important consumer groups at which the ads will be directed include unmarried women between the ages of 16 and 30. In clothing, their buying preference is decidedly for manmade fibers. Aim of CCI's promotion is to insure that as these women become housewives, their preference for manmades will not be transferred to other articles such as household textiles. These account for the greatest portion of cotton sales in the Netherlands.

The message CCI wants to put across to Dutch consumers: cotton is comfortable to wear; cotton goods are easy to launder, and after laundering, seem "completely clean" and "brand-new." Symbol of these benefits is to be the International Cotton Emblem that will appear in all advertising formats and on 100-percent cotton goods.

This theme and other focal points of advertising grew out of consumer surveys conducted earlier this year by the Netherlands Foundation for Statistics to learn specifically what the Dutch consumer likes and dislikes about cotton.

Researchers reported that "the consumer is not interested in cotton, or in cotton yarns, or in cotton fabrics... but in the benefits, advantages, and satisfaction these products can procure for him."

The report went on to say that while "cotton is a fiber with a long history of good service to the consumer—a fact that has done much to keep cotton's position strong—this reputation by itself will not insure the survival of cotton products. The young consumer is being bombarded from every side with manmade fiber promotions of all kinds."

Cotton's image, CCI decided, could best be strengthened by emphasizing advertising—concentrated and repetitive. The new image should be built around the specific consumer benefits and illustrated by these cotton product groups: leisure wear, household textiles, children's wear, teenagers' wear, shirts and blouses, and women's dresses.

Though there is no known method of determining how many more products are sold as a result of a particular campaign, CCI will measure the effectiveness of its advertising by conducting followup surveys of consumer attitudes. Responses in this series will be compared with those of the pre-campaign tests.

Assuming the campaign is successful, more people after the promotion —for example—should consider cotton to be "young, modern, and fashionable." Another yardstick would be that a large number of persons have become familiar with the Cotton Emblem.

The hoped-for result of CCI's promotion will be a bigger slice for cotton in the Dutch textile market. Though consumption in the Netherlands has climbed since 1953, cotton's share of total fiber consumption has dropped from nearly 70 percent 10 years ago to the present level of slightly more than 61 percent. Synthetic fibers took up the slack, increasing from about 1 percent in 1953 to 10 percent in 1962.

The Netherlands project has broad implications, since techniques developed here may well be applicable in much larger countries where the U.S. cotton industry and FAS cooperate with foreign users in promotion.

Soybean Council Takes Part in Delhi Oils Meeting

This month's Fats and Oils Symposium in New Delhi—with sessions to train Indian technicians in the proper use of U.S. soybean oil—is seen providing the framework for India's becoming a bigger outlet for the U.S. oil.

The symposium to be held December 18-21 is particularly timely now that the United States has just agreed to supply India with its first large shipment of soybean oil under Title I of P.L. 480. The 150 million pounds to be delivered during 1964-65 compare with a 5-year average of only 1.5 million pounds.

More than 200 Indian technicians working directly in the vegetable oil refining and processing industries are expected to attend the meeting, sponsored by the Soybean Council of America and FAS as part of a continuing program to promote use of soybean products in India.

Representing the Council will be President Glenn H. Pogeler and a prominent U.S. oil technician Frederick Martin.

This year's symposium—third in which the SBC will have participated in India—will deal in refining and blending soybean oil in vanaspati, a vegetable oil shortening. Although Indians are traditional oil users, few in the industry are experienced in soybean oil handling, particularly in proper methods of degumming, oxidizing, and bleaching it for vanaspati manufacture.

Most of the U.S. oil for shipment in 1964-65 will be manufactured into vanaspati, a dietary staple among vegetarian Indians. India's oils industry anticipates that use of 10-20 percent soybean oil in vanaspati would help to stabilize prices and raise production. Vanaspati production has been hampered by shortages and peak prices for Indian peanut and cottonseed oils —customarily used in vanaspati.

NRA Tallow-in-Feeds Promotion in Japan Off to a Good Start

The first phase of National Renderers' tallow-in-feed promotion in Japan was successfully concluded recently when the Japan Scientific Feed Association handed down a favorable recommendation for U.S. tallow as an ingredient in broiler rations.

JSFA members, after feeding broilers a mixed ration containing 2 percent tallow at 15 private poultry farms, reported that the tallow feeds made for faster weight gains, got good results in hot weather, and did not lower meat quality.

Endorsement by JSFA—an association of 87 Japanese scientists in prefectural research stations and feed companies—should greatly encourage higher use of U.S. tallow in Japanese poultry feeds, according to National Renderers President John H. Haugh and NRA Director of Technical Services Dr. O. H. M. Wilder, who recently made an on-the-spot check of the program being conducted in cooperation with FAS.

The officials said the trials helped convince Japanese poultrymen that feed rations containing tallow—while costing more than fatless feeds—bring greater returns in faster production of meat for less feed. Although most commercial growers are aware of the value of fats, they have been hesitant to use tallow—believing the added cost would minimize profits.

The Japan Scientific Feed Association is now looking ahead to the layer feeding trials scheduled for January. Subsequent tests will stress swine and cattle feeding. The Japanese Feed Manufacturers Association is also interested in the trials, and will put up a third of the cost and provide all facilities for similar testing.

The demonstrations are part of an NRA-FAS market development program begun in the spring of this year to increase U.S. tallow sales in its No. 1 market, Japan. In the past, mainstay of the U.S. market has been Japan's soap and other industries. The use of tallow by the feeds industry would bring about a substantial increase in U.S. sales, since it appears that production of quality livestock and poultry feeds must increase if Japan is to realize its goals of greater meat, milk, and egg production.

U.S. exports of tallow to Japan for the first 9 months of this year, at 330 million pounds ($18.5 million), were 63 million ahead of those for the period last year.

There remain several hurdles to the tallow-in-feeds promotion, NRA officials point out. Many feed manufacturers in Japan are unfamiliar with tallow-handling techniques or lack proper mixing equipment. In addition, the small Japanese poultryman may not be willing to pay the higher price for tallow feeds. It is felt an extension-type program—with emphasis on the conversion ratio of high-energy fats in production of broilers—would help overcome this reluctance.

A detailed report of the Japan Scientific Feed Association's broiler feeding results will be distributed to the Japanese poultry industry.

American Food Fortnight Ups U.S. Food Sales in Glasgow

American foods were the center of attention in Glasgow grocery and specialty shops last month when some 200 retailers cooperated with USDA in an American Food Fortnight campaign urging British housewives to buy and serve more U.S. foods.

Merchants hung 5-foot banners outside their stores and arranged attractive displays of U.S. canned and fresh foods in strategic windows and aisles. Some of the larger stores featured cooking demonstrations and gave gift packages to customers. The effect of the total campaign was heightened by extensive radio, TV, and newspaper advertising.

In a spot check of participating stores at midpoint during the promotion, the U.S. agricultural attaché in the United Kingdom reported that Glasgow store managers were particularly pleased with brisk sales of U.S. canned fruits, lard, and canned chicken stemming from the campaign.

Main U.S. foods promoted were canned poultry, peaches, fruit cocktail, pineapple juice, rice, raisins, prunes, lard, fresh apples, cooking oil, and cranberries. British importers and Galbraith's Stores, co-sponsor of the Food Fortnight, reduced prices on many of these items specially for the 2-week campaign.

The American Food Fortnight in Glasgow — third largest city in the United Kingdom with a population of nearly 2 million—is the third major U.S. food promotion the USDA has sponsored in the United Kingdom during the past 2 months. This effort reflects the United Kingdom's position as a market for U.S. products—ranking first as a buyer of U.S. fruits and vegetables and lard, and second of U.S. canned poultry.

Paris Fair Spurs Rice Sale

As a result of the numerous contacts made by U.S. rice representatives at the recent Salon International de l'Alimentation in Paris, Uncle Ben's rice has acquired a new French agent, who promptly made arrangements for an initial order of 1,000 cases.

Now that French traders can readily obtain import licenses for U.S. rice following the passage of the new EEC Regulations on Rice September 1, other U.S. rice sales to France may follow.

Canadian Trade Mission Urges Oilseeds Promotion in Japan

Canada's first oilseeds trade mission to Japan credits U.S. promotion of soybeans for "an important part in 1963's record-breaking sales of U.S. soybeans to Japan," in a report recommending similar promotion of Canadian oilseeds.

Members of the mission—most of whom were leaders in the Canadian grain trade—stated their belief that "Japan will remain an important and growing market for Canadian rapeseed for edible oil use, and a stable market for flaxseed for industrial purposes," but advised the oilseeds industry to strive for price stability and constant supply in order to retain rapeseed's position in the Japanese market. Japan was the leading export market for Canadian rapeseed in 1963— 4.6 million bushels—and the second largest market for Canadian flaxseed and mustardseed—4.0 million bushels and 12.5 million pounds respectively.

Other objectives of the mission were to measure competition of other countries, and to become acquainted with Japanese production, purchasing, handling, and processing methods.

Short Spanish Pickled Olive Pack

Spain's 1964-65 pickled olive pack is forecast at about 26,000 short tons, of which only about 11,000 will be of "exportable quality"—varieties suitable for export to the United States and Canada. In addition, 19,300 tons of "exportable" and 11,600 tons of "nonexportable" stocks were reportedly carried over from last season making a total supply of 56,900 tons of table olives.

If the forecast proves accurate, 1964-65 production would be one of the smallest on record and about 65 percent below the large 1963-64 pack of 74,500 tons (of which 58,000 were "exportable quality").

SPAIN'S SUPPLY AND DISTRIBUTION OF TABLE OLIVES

Season and type	Beginning stocks	Production	Total supply
SUPPLY			
1962-63, revised:	*Short tons*	*Short tons*	*Short tons*
Exportable varieties:[1]			
Queens	700	5,500	6,200
Manzanillas and others	7,300	29,600	36,900
Total exportable	8,000	35,100	43,100
Nonexportable varieties[1]	5,500	6,300	11,800
Total, 1962-63	13,500	41,400	54,900
1963-64, preliminary:			
Exportable varieties:[1]			
Queens	---	33,000	33,000
Manzanillas and others	500	25,000	25,500
Total exportable	500	58,000	58,500
Nonexportable varieties[1]	5,500	16,500	22,000
Total, 1963-64	6,000	74,500	80,500

	Exports	Domestic use	Ending stocks
DISTRIBUTION			
1962-63, revised:	*Short tons*	*Short tons*	*Short tons*
Exportable varieties:[1]			
Queens	6,184	16	---
Manzanillas and others	33,491	2,909	500
Total exportable	39,675	2,925	500
Nonexportable varieties[1]	4,068	2,232	5,500
Total, 1962-63	43,743	5,157	6,000
1963-64, preliminary:			
Exportable varieties:[1]			
Queens	24,600	100	8,300
Manzanillas and others	13,700	800	11,000
Total exportable	38,300	900	19,300
Nonexportable varieties[1]	9,200	1,200	11,600
Total, 1963-64	47,500	2,100	30,900

[1]Exportable varieties are those acceptable on the United States and Canadian Markets. Nonexportable olives are shipped to other countries.

The short crop is due to the strong tendency of olive trees to yield a poor crop following a large one, with 1964 representing an "off year," and to very heavy dacus-fly damage. The industry reports that in some groves up to 70 percent of the fruit was damaged by the fly. Processing will be slowed considerably because of the increased work of culling the damaged fruit.

Olive exports totaled 41,347 tons during December 1963-September 1964, about 10 percent above the 37,660 tons shipped during the same 10 months of 1962-63. Total shipments for 1963-64 are estimated at 47,500 tons, compared with 43,743 in 1962-63. About 80 percent of exports for the 1963-64 year have gone to the United States as compared with 70 percent the year before.

Prices for packed olives were reported to be much stronger during October 1964 than they were earlier in the year. Grower returns, however, may not reflect this because of the heavy fly damage and the small crop. Export prices on February 10 and in the latter part of October 1964 ranged as follows:

	October U.S. cents per lb.	*February 10 U.S. cents per lb.*
Manzanillas, stuffed	27 - 32	20
Queens, stuffed	33 - 34	23
Queens, whole	24 - 25	—

West Germany Sets Tender for Canned Pears, Figs

West Germany has announced an import tender for canned pears in containers of less than 5 kilograms. Applications for licenses may be submitted until the exhaustion of the undisclosed value limit but not later than March 25, 1965. The first day of customs clearance is January 1, 1965.

An import tender for canned figs in containers of less than 5 kilograms has been announced and extends the current tender, which expires on December 31, 1964, for a period of 6 months. Applications for import licenses may be submitted until further notice, without stating value or quantity.

West Germany Withdraws Import Tender for Cherries

The Federal Republic of Germany has withdrawn an import tender for cocktail and maraschino cherries. The tender was announced in October 1964, and was for the period January 1 to June 30, 1965.

At the same time it was announced that the validity of the licenses issued under the tender presently in effect (July 1, 1964, to December 31, 1964) will be extended for 6 months.

Canada's Tobacco Crop Smaller

The Canadian tobacco crop for 1964 is now placed at about 149 million pounds—26 percent below last year's—mainly due to a cutback in the acreage planted to flue-cured tobacco in Ontario.

The 1964 flue-cured harvest for all Canada is estimated at 139 million pounds, compared with 187 million in 1963. Most Canadian flue-cured is grown in Ontario. Burley production in 1964 is placed at 4.8 million pounds—slightly more than half the 8.8 million harvested in 1963.

Greece Exports Burley Tobacco

Exports of Greek burley tobacco totaled 2.9 million pounds in July-June 1963-64, at an average price equivalent to 44 U.S. cents per pound. Major markets included West Germany 2.2 million pounds, Portugal 0.2 million, the Netherlands 0.1 million, and Austria 0.1 million.

Average export prices per pound for leaf moving to major markets, in terms of U.S. equivalents, were: West

Germany 43 cents, Portugal 40, the Netherlands 54, and Austria 50.

Total exports of Greek burley in 1962-63 were 582,000 pounds, at an average price of 44 cents.

GREEK EXPORTS OF BURLEY TOBACCO
JULY-JUNE 1963-64

Destination	Quantity	Average price per pound
	1,000 pounds	*U.S. cents*
Germany, West	2,242	43
Portugal	239	40
Netherlands	132	54
Austria	127	50
Italy	89	54
Switzerland	69	51
Belgium	32	45
United Kingdom	6	54
Total	2,936	44

Australian Meat Shipment to the United States

Seven ships left Australia during the latter half of October with 5,949,440 pounds of beef and 598,080 pounds of mutton for the United States.

Ship and sailing date	Destination [1]	Arrival date	Cargo	Quantity
	East coast			*Pounds*
Pioneer Surf	Charleston	Nov. 23	Beef	33,600
Oct. 22			Mutton	31,360
	Boston	27	Beef	188,160
			Mutton	31,360
	New York	29	Beef	380,800
	Philadelphia	Dec. 1	Beef	221,760
			Mutton	31,360
	Baltimore	3	Beef	67,200
			Mutton	44,800
Cap Roca	Charleston	Nov. 18	Beef	107,520
Oct. 24			Mutton	136,640
	Norfolk	20	Beef	490,560
			Mutton	123,200
	Philadelphia	22	Beef	156,800
			Mutton	31,360
	Boston	25	Beef	228,480
			Mutton	33,600
	New York	28	Beef	741,440
			Mutton	100,800
City of Melbourne [2]	Charleston	6	Beef	116,480
Oct. 15	Boston	9	Beef	69,440
			Mutton	31,360
	New York	26	Beef	840,000
	Philadelphia	29	Beef	2,240
Lake Ontario [2]	Charleston	9	Beef	33,600
Oct. 16	Philadelphia	12	Beef	129,920
	New York	16	Beef	739,200
	Boston	19	Beef	235,200
	West coast			
Anna Bakke	Seattle	Dec. 13	Beef	123,200
Oct. 23	Los Angeles	([3])	Beef	837,760
	San Francisco	([3])	Beef	190,400
	Portland	([3])	Beef	89,600
	Tacoma	([3])	Beef	76,160
Sierra	Los Angeles	Nov. 11	Beef	201,600
Oct. 23	San Francisco	15	Beef	197,120
	Seattle	19	Beef	85,120
	Portland	26	Beef	168,000
Goonawarra	Los Anegles	12	Beef	551,040
Oct. 28	San Francisco	19	Beef	472,640
			Mutton	33,600
	Seattle	26	Beef	340,480

[1] Cities listed indicate location of purchaser and usually the port of arrival and distribution area, but meat may be diverted to other areas for sale. [2] In addition to amounts reported in *Foreign Agriculture*, Nov. 16, 1964. [3] Arrival dates not available.

U.S. Imports of Meat Continue To Decline

U.S. meat imports in September were off 45 percent, continuing the downward trend which has characterized most of this meat trade during 1964.

Beef and veal imports in that month totaled 58 million pounds—off 52 percent from September 1963. Imports of these products in the first 9 months of 1964 amounted to 629 million pounds, down 25 percent from the 836 million pounds imported in the 1963 period.

Pork imports in the first 9 months of 1964 were about the same as those of a year earlier.

Mutton imports continued to decline, with small September arrivals. Imports for the first 9 months of 1964, at 30 million pounds, were 44 percent below those in the same period last year.

Wool imports, although up in September 1964, were down during the 9-month period to levels well below the high ones of 1963. Imports of duty-free "carpet" wools amounted to 88 million pounds, or 33 percent below the 1963 level.

U.S. imports of hides and skins in September continued to show mixed trends. Imports of cattle, buffalo, and horse hides, as well as goat and kid skins, were significantly below 1963 levels, while those of kip, sheep and lamb, and pig skins were well above 1963. U.S. imports of calf skins were virtually unchanged from a year earlier.

September imports of cattle, at 20,000 head, were 19 percent below those in the same month of 1963. For the 9-month period, U.S. imports of cattle were off by 43 percent.

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	September [1]		January-September [1]	
	1963	1964	1963	1964
Red meats:				
Beef and veal:	*1,000*	*1,000*	*1,000*	*1,000*
Fresh & frozen, bone-in	*pounds* 2,220	*pounds* 1,893	*pounds* 14,475	*pounds* 11,701
Fresh & frozen, boneless	103,841	46,503	700,336	530,087
Canned, incl. corned	9,553	7,675	84,616	61,649
Pickled and cured	54	24	505	225
Beef sausage	556	437	556	3,908
Other beef	1,972	653	19,941	8,571
Veal, fresh & frozen	3,840	958	15,940	12,696
Total beef and veal	122,036	58,143	836,369	628,837
Pork:				
Canned hams & shoulders	10,406	12,207	104,012	103,637
Other pork	4,349	5,685	52,481	51,422
Total pork	14,755	17,892	156,493	155,059
Mutton and goat	2,648	298	53,487	29,958
Lamb	1,230	748	14,927	8,807
Other sausage	322	204	322	2,850
Total red meat	140,991	77,285	1,061,598	825,511
Variety meats	822	52	2,468	935
Wool (clean basis):				
Dutiable	5,075	8,000	86,996	70,326
Duty-free	10,395	11,453	131,650	88,352
Total wool	15,470	19,453	218,646	158,678
Hides and skins:				
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Cattle	22	22	299	258
Calf	74	191	653	641
Kip	78	153	775	862
Buffalo	61	35	470	357
Sheep and lamb	1,923	3,426	22,920	26,576
Goat and kid	1,211	838	11,374	10,524
Horse	26	16	345	294
Pig	80	88	712	1,200
	Number	*Number*	*Number*	*Number*
Live cattle [2]	25,357	20,417	592,329	336,938

[1] Owing to changes in the tariff schedule, statistics for 1963 and 1964 are not completely comparable. [2] Includes cattle for breeding.

U.S. Department of Commerce, Bureau of the Census.

U.S. Exports of Livestock Products Continue High

Most U.S. animal product exports in the first 9 months of 1964 were well ahead of those in the previous year.

Because of general shortages of competing oils, particularly in Europe, U.S. animal fats moved into export at a record rate. Lard exports, while something less than the record high, were well above the level of recent years. Tallow and grease exports, on the other hand, have been at record levels and will probably remain so for the rest of the year.

Red meat exports continued above the previous year's because of increased shipments of pork and beef. Variety meat exports were also up substantially, mainly because of larger shipments to Western Europe.

U.S. EXPORTS OF LIVESTOCK PRODUCTS
(Product weight basis)

Commodity	September		January-September	
	1963	1964	1963	1964
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Animal fats:				
Lard	53,199	46,352	422,132	520,969
Inedible tallow and greases [1]	159,186	177,432	1,404,707	1,886,798
Edible tallow and greases [2]	707	731	8,358	10,356
Meat:				
Beef and veal	2,834	2,434	18,837	31,948
Pork	9,674	5,466	92,033	111,672
Lamb and mutton	28	96	659	939
Sausages:				
Except canned	145	202	1,252	2,781
Canned	70	95	666	678
Baby food, canned	56	47	533	521
Other canned meats	140	202	1,043	1,449
Total red meats	12,947	8,542	115,023	149,988
Variety meats	10,765	19,474	114,215	164,693
Sausage casings:				
Hog	1,110	563	11,145	7,446
Other natural	920	571	5,177	3,359
Mohair	1,627	389	10,756	2,115
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and skins:				
Cattle	661	945	5,549	8,378
Calf	120	132	1,088	1,591
Kip	17	30	171	196
Sheep and lamb	218	202	2,057	2,347
	Number	*Number*	*Number*	*Number*
Live cattle	3,470	3,181	17,328	50,712

[1] Includes inedible tallow, greases, fats, oils, oleic acid or red oil, and stearic acid. [2] Includes edible tallow, oleo oil and stearin, oleo stock and shortenings, animal fat, excluding lard.

Cotton Production in Central America Sets New Record

The 1964-65 cotton crops in the five Central American producing countries (El Salvador, Guatemala, Nicaragua, Honduras, and Costa Rica) are progressing normally under generally excellent growing conditions.

Harvest will start in December, and total outturn is estimated at more than 1.2 million bales (480 lb. net), up 12 percent from the record 1.1-million-bale production in 1963-64. Total area planted is estimated at 862,000 acres, compared with 788,000 acres in 1963-64. Thus, both acreage planted and yields per acre (the latter already among the highest in the world for nonirrigated cotton) are continuing to set new records (see FAS M-154, November 1963).

Assuming the 1964-65 production estimate materializes, total cotton exports from these five countries may exceed 1.2 million bales compared with about 985,000 in 1963-64. Total mill consumption is currently less than 100,000 bales per year for the five countries combined, but has been gradually increasing for the past several years. Japan is by far the most important market for Central American cotton and in the past 2 years has taken over one-half their total raw cotton exports, with Western European countries taking most of the remainder.

COTTON ACREAGE AND PRODUCTION IN CENTRAL AMERICA

Country	Crop year beginning August 1			
	Acreage		Production [1]	
	1963	1964 [2]	1963	1964 [2]
	1,000 acres	*1,000 acres*	*1,000 bales*	*1,000 bales*
El Salvador	260	270	335	360
Guatemala	215	225	300	340
Nicaragua	285	325	410	460
Honduras	21	32	31	40
Costa Rica	7	10	8	10
Total	788	362	1,084	1,210

[1] Production in bales of 480 lb. net. [2] Forecast.

Turkey's 1964-65 Cotton Production Up

The 1964-65 cotton harvest in Turkey, now nearing completion, is expected to total 1.2 million bales, up from the 1,150,000 bales produced in 1963-64. Planted area for the 1964-65 crop is placed at 1,630,000 acres, up 5 percent from the 1,553,000 acres of last year. Harvesting is being completed in very favorable weather, following heavy rains in September.

Early arrivals of new-crop Turkish cotton are largely of medium grades, and prices are being fully maintained by demand from both foreign buyers and domestic mills. On November 19 Adana Standard I cotton was offered at 26.55 cents per pound, c.i.f. Liverpool, while Izmir Standard I was 29.86. Comparable quotations in early August 1964 were 26.26 and 29.22 cents, respectively.

Turkey exported 587,000 bales (480 lb. net) of cotton during the 1963-64 season, compared with 568,000 in 1962-63. Exports during the 1964-65 season will probably exceed 600,000 bales if the estimated production is achieved.

Quantities exported to principal destinations during the full 1963-64 season (August-July), with comparable 1962-63 figures in parentheses and in 1,000 pounds, were the United Kingdom 141 (113), Italy 116 (139), West Germany 79 (111), Portugal 66 (23), Belgium 54 (60), Switzerland 26 (22), France 25 (25), Lebanon 17 (5), and Israel 15 (12).

Turkey may consume slightly more cotton this season than the 530,000 bales used in 1963-64. Cotton stocks at the end of the current season could be moderately larger than beginning stocks of 128,000 bales on August 1, 1964.

India Acts To Encourage White Sugar Production

The Government of India announced in October two measures aimed at increasing the output of factory sugar during the current (1964-65) campaign, by making it easier for manufacturers of white sugar to compete more successfully for cane with makers of khandsari (form of almost-white sugar) and gur (molasses-like substance made from unprocessed cane).

One government measure was to increase the price paid for cane by the manufacturers of white sugar. The price is now Rs5.36 per quintal (US$12.41 per short ton) on cane containing 10.4 percent sugar or less compared with the former 1964-65 price of Rs4.96 per quintal (US$11.49

per short ton). This action was taken to bring the government-controlled prices paid by white sugar manufacturers in line with the unregulated ones paid by the makers of gur and khandsari.

The white sugar manufacturers, however, were enabled to get part of this added expense back, through increasing their October-November 1964 crushings. Those that did this were given a 50-percent rebate in the cane excise duty on production in excess of that in the same months of 1962. Reason for the rebate was to encourage early crushings and thereby prevent a buildup of cane stocks during the latter part of the season.

India's Jute Loom Capacity Up

As of January 1, 1964, there were 74,294 jute looms operating in India according to the Indian Jute Mills Association. This represents a 1.9-percent increase in jute loom capacity since January 1962, with India now accounting for 58 percent of the world's total. Spindle capacity of the Indian jute industry totaled 702,968 spinning spindles and 27,388 twisting spindles.

Mill consumption of raw jute and mesta in India has increased significantly in the past 2 years, reaching an estimated 3,110 million pounds in July-June 1963-64, as compared with 2,960 million in 1962-63 and 2,600 million in 1961-62.

Tanzania-Soviet Clove Trade

The USSR has recently signed an agreement with the Zanzibar State Trading Corporation (formerly the Clove Growers' Association) to purchase 500 long tons of cloves under the same terms as those of their last purchase of cloves, in the July-June 1963-64 marketing year. Payment is to be made in sterling.

West Pakistan To Produce Jute

Experimental plantings of jute in West Pakistan apparently have met with some success. Cultivation of jute in West Pakistan was initiated in 1962 in the Ghulam Mohammad Barrage area. Reportedly, 40,000 acres of land are to be planted to jute during the next 5 years. East Pakistan already produces about half of the world's supply of true jute.

Jamaica To Build New Chocolate Factory

A new chocolate confectionery factory is to be built in the Jamaican town of Highgate, Parish of St. Mary. Initial cost of the factory will be $420,000, and of this investment approximately 60 percent will be undertaken by local businessmen and the balance by a Canadian firm.

The factory will use only domestically-produced cocoa beans and will manufacture a variety of chocolate candies.

Greek Olive Oil Outturn To Decline

According to a preliminary official estimate, Greece's 1964-65 edible olive oil outurn is placed at 153,666 metric tons, down more than one-fourth from the 1963 level (*Foreign Agriculture*, Apr. 20, 1964.) However, the expected outturn is 12 percent above the 136,984-ton average for the 10-year period ended in 1963-64.

The expected drop will result from a cyclical decline coupled with damage from olive kernel borer and dacus fly infestations. Damage in many areas is reported as severe, and the Olive Growers Cooperative "Eleourgiki" estimates that the 1964-65 outturn will be significantly below the official preliminary estimate, perhaps not exceeding 120,000 tons.

Greek olive oil exports in 1964-65 are not expected to exceed 1,000 tons, compared with about 400 in 1963-64 and 6,500 in 1962-63. High domestic prices at levels significantly above those in world markets will continue to limit olive oil exports, which are not subsidized. Prices for oil during the 1964-65 government collection campaign have not as yet been announced but are expected to be maintained at or above the 1963-64 level.

Olive sulfur oil production in 1964-65 is estimated at about 18,000 tons compared with an estimated 25,200 in 1963-64. About one-third of the sulfur oil is of low acidity and can be further refined and used for edible purposes, both in blends and in hydrogenated form mixed with other edible fats and oils.

The Greek Ministry of Commerce on October 15, 1964, changed the authorized blend ratio of edible oils to 40 percent olive oil and 60 percent refined soybean oil. The previously authorized blend contained olive oil, soybean oil, and refined degummed olive kernel oil (30-30-40). The new 40-60 blend will be sold in drums at 15.0 drachmas per kilogram (22.7 U.S. cents per lb.) wholesale compared with 14.5 drachmas per kilogram (22. 7 U.S. cents per lb.) previously.

GREECE'S SUPPLY AND DISTRIBUTION OF OLIVE OIL

Item	1962-63 [1]	1963-64 [2]	Forecast 1964-65 [3]
	Metric tons	*Metric tons*	*Metric tons*
Supply:			
Stocks, November 1	105.0	15.0	84.0
Production	55.8	209.4	153.7
Total supply	160.8	224.4	237.7
Distribution:			
Exports	6.5	.4	1.0
Domestic disappearance	139.3	140.0	141.7
Stocks, October 31	15.0	84.0	95.0
Total distribution	160.8	224.4	237.7

[1] Partly estimated. [2] Preliminary. [3] Marketing year beginning November.

Compiled from official and other sources.

French Olive Oil Imports Up Sharply

Net imports of olive oil into France during January-September 1964 were 23,758 short tons against 7,900 in the same period of 1963. The rise reflects some stock building but primarily a sharp increase in domestic consumption, which in 1964 could exceed 24,000 tons compared with 16,080 and 22,520 tons in 1963 and 1962, respectively. The rise was greatly influenced by the marked decline in world prices from the high levels of last year. Another factor, however, was an influx of North African refugees and Spaniards who have strong preferences for olive oil.

Indigenous production of olive oil, which from 1964-crop olives is forecast at 1,650 short tons or slightly below the 1,760 tons of a year ago, accounts for only a minor portion of domestic needs. In recent years, there has been a downward trend in olive oil production. This decline is explained in part by a shift in the new plantings to table olive varieties, which are more profitable.

Imports of olive oil in the first 9 months of this year are already the largest in 4 years and have been predominantly from Tunisia, while exports, at 1,680 tons, are down significantly.

It is reported that a French firm has developed a new olive-crushing technique that is more efficient than traditional methods now used. A pilot plant is to be built in Southern France in 1965; it reportedly will be entirely automated, and the crushing method to be used will give a higher oil yield than methods now used elsewhere.

FRANCE'S OLIVE OIL IMPORTS AND EXPORTS

Origin and destination	1961	1962 [1]	1963 [1]	January-Sept. 1963 [1]	January-Sept. 1964 [1]
	Short tons	*Short tons*	*Short tons*	*Short tons*	*Short tons*
Imports:					
Spain	1,061	482	3,037	2,078	1,792
Tunisia	23,948	21,229	10,830	6,489	23,142
Morocco	631	240	1,224	1,114	402
Others	1,231	1,350	1,413	1,348	102
Total	26,871	23,301	16,504	11,029	25,438
Exports:					
United States	95	111	96	72	69
Italy	925	1,730	1,950	1,413	401
Switzerland	614	143	530	362	313
United Kingdom	175	162	263	242	127
Others	1,130	1,522	1,279	1,040	770
Total	2,939	3,668	4,118	3,129	1,680
Net imports	23,932	19,633	12,386	7,900	23,758

[1] Preliminary.

Compiled from official and other sources.

World Fish Oil Exports Decline

Exports of fish and fish liver oils from the major exporting countries declined 11 percent during the first 6 months of 1964 to 198,700 short tons from 223,500 in January-June 1963. The countries shown accounted for 92 percent of total estimated world trade in 1963.

The United States, Peru, Chile, and Iceland were primarily responsible for the decline in fish oil shipments. Among the countries to register an increase in shipments during the January-June period were Denmark, South Africa, Canada, and Angola.

GROSS EXPORTS OF FISH AND FISH LIVER OILS FROM SELECTED COUNTRIES

Country	1963 [1]	January-June 1963 [1]	January-June 1964 [1]
	1,000 short tons	*1,000 short tons*	*1,000 short tons*
Canada	6.4	2.4	7.6
United States	131.2	48.9	28.1
Chile	12.7	11.4	5.3
Peru	121.3	82.2	76.0
Denmark	22.9	9.0	14.5
Germany, West	19.7	8.3	6.0
Iceland	71.2	22.4	17.5
Portugal	10.5	6.0	3.6
Angola	3.4	1.8	5.1
Morocco	5.7	2.9	1.8
South Africa, Rep. of [2]	35.3	28.2	33.2
Total	440.3	223.5	198.7

[1] Preliminary. [2] Including South-West Africa.

Lebanese Olive Oil Outturn Declines

Lebanon's production of edible olive oil in 1964-65 is unofficially forecast at 6,800 metric tons, down nearly one-third from a year ago and the smallest production since 1959-60.

This expected decline results from the cyclical "off-year" of the olive trees, heavy infestation of the dacus fly, and inadequate moisture in September-October which caused some of the fruit to shrivel and drop. Growers had delayed harvesting of the olives with the hope for some rain in November which would improve the quality of the fruit.

In July 1964, the Lebanese government ordered that the contents of all containers of olive and sulfur oils be properly labeled. It further ordered that all shipments of olive and sulfur oils be subjected to a laboratory test in the customs' free zone prior to shipment. The latter action is to prevent fraudulent blending of the two oils.

Norway's Production of Fish Oil

Norwegian production of herring oil during the first 9 months of 1964 increased to 68,900 short tons from 47,400 in January-September 1963.

Jamaica's Copra Production Increases Slightly

Copra production in Jamaica during the first 8 months of 1964 totaled 11,208 long tons compared with 10,247 in January-August 1963, according to the Coconut Industry Board. Production for the entire year is forecast at 16,850 tons, against 15,132 in 1963 and 16,465 in 1962.

Thailand's Castorbean Production Up Moderately

Castorbean production in Thailand this year is expected to be about 47,000 metric tons, moderately above the 45,000 produced in 1963. Favorable prices received by farmers in late 1963 and early 1964 encouraged expansion of acreage which contributed to the increase.

Looking to the future, production is likely to increase by 3 to 5 percent annually, depending on foreign demand. With virtually all production exported, castorbeans have become a valuable foreign exchange earner. There is no large-scale commercial production in Thailand as yet, nor are there specific agronomic programs for promoting castorbeans. However, a crushing plant may be constructed in the future, in which case production would probably rise sharply.

Thailand exported 30,953 tons of castorbeans during January-September 1964 compared with 27,327 in the comparable period last year and 40,052 in calendar 1963. Japan, the major market, took almost two-thirds of the 1964 total.

The export quotation for castorbeans as of mid-November was £50-£52 (US $140-US$146) per ton c.&f. Japan, compared with £43-£45 (US$120-US$126) a year earlier. The marked increase in price from last year reflects small stocks in Bangkok because the second harvest was delayed by heavy and prolonged rains.

Philippine Exports of Desiccated Coconut

Registered shipments of desiccated coconut from the Philippines during September totaled 7,465 short tons, against 5,678 in August and 9,394 in July.

Shipments during January-September amounted to 51,680 tons compared with 52,399 in the same period of 1963. Of this amount, 41,923, 3,220, and 3,220 tons were shipped to the United States, Australia, and Canada, respectively, compared with 42,157, 2,680, and 2,665 a year ago.

Indonesia's Exports of Copra and Palm Products

Registered exports of copra from Indonesia during the first 7 months of 1964 totaled 96,139 long tons—69 percent above 56,756 in January-July 1963. Copra exports in July amounted to 25,612 tons, up sharply from the 2,500 exported in June.

Registered exports of palm oil in January-July totaled 55,623 short tons as against 64,079 in the first 7 months of 1963. Shipments of palm kernels rose to 22,989 tons from 19,400.

Sweden Ups Its Rapeseed Crop Estimate

Sweden's 1964 oilseed production, according to the October 15 crop survey, is estimated at 213,900 short tons, 7 percent above that previously estimated *(Foreign Agriculture,* Oct. 5, 1964). The revision reflects higher yield estimates. The 1964 oilseed production is now estimated to exceed that of 1963 by nearly one-half, while oilseed acreage increased about 30 percent.

SWEDISH OILSEED PRODUCTION AND HARVESTED AREA

Item	Harvested acreage		Production	
	1963 [1]	1964 [2]	1963 [1]	1964 [3]
	1,000 acres	*1,000 acres*	*1,000 short tons*	*1,000 short tons*
Rapeseed	144.1	204.4	103.3	170.6
Mustardseed [4]	54.4	56.6	41.9	42.9
Flaxseed	1.0	.7	.6	.4
Total	199.5	261.7	145.8	213.9

[1] Preliminary. [2] Preliminary based on June 2 acreage inventory. [3] Preliminary based on October 15 crop survey. [4] White variety only.

Compiled from official and other sources.

Argentina Authorizes Edible Oil Imports

The Argentine Government has authorized the Grain Board to import 24,000 metric tons of edible vegetable oil or oilseed equivalent, free of duty and surcharges, prior to March 1, 1965. The fact that purchases are restricted to the Grain Board reportedly appears to lend credence to earlier reports of a possible barter deal involving linseed oil, which the Board has in stock.

Prior to the above action the government canceled the increase in export taxes on linseed oil, which had been scheduled to become effective November 1, apparently in an effort to lower prices or, as far as possible, to prevent any further rise in prices. Further assistance to linseed oil exporters should result from the recent (November 1964) peso devaluation from 143.50 pesos per U.S. dollar to a range of 149.50 to 151.00 per dollar.

Italy Imports More Cheese, Exports Less

Italy's imports of cheese in the first 6 months of 1964, at 69 million pounds, were up 31 percent over the same 6 months of 1963. France, the largest supplier in this period, shipped 14 million pounds, or 9 million more than in 1963. Imports from West Germany were up more than 1 million pounds to 12 million, and shipments of 3 million pounds each from Finland and Australia exceeded those of 1963 by 2 million pounds. These increases, together with 2 million pounds from the United States (not a supplier in January-June 1963), were sufficient to outweigh the reduction in imports from Switzerland, Austria, and Denmark.

Exports of cheese declined 17 percent to 22 million pounds, all purchasers taking less than in the earlier year. Sales to the United States were 8 million pounds, or a little more than a third of total sales compared with about 45 percent of the total in 1963.

Imports of butter were down 17 percent to 28 million pounds. The United States was the principal supplier in this period, sending 10 million pounds. Canada shipped 3 million. West European countries accounted for 7 million pounds, only about half of their 1963 shipments. Purchases from East European countries dropped by about 9 million pounds to about 8 million.

Turkey Has Record Tobacco Crop

The 1964 harvest of tobacco in Turkey, mainly oriental varieties, is expected to total a record 350 million pounds—up 20 percent from the 290 million produced in 1963.

Major increases were recorded in the Aegean region and in southeastern areas of the country, where the production was up by more than 40 million and 10 million pounds respectively. Generally, the quality of the 1964 crop was good—much better than that of recent seasons. Weather conditions this year were excellent, and blue-mold damage was insignificant.

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World Sugar Situation Eased as New Crop Sets Record

(Continued from page 6)

Kingdom to 445,000 acres for 1964-65, and further increases will probably be made in 1965. Significant production increases are being realized this year in Denmark, Netherlands, Belgium, and Spain.

Upward trend in Africa

Sugar production is increasing in Africa, too. Sugar is grown in many African countries but only a few are as yet completely self-sufficient; however, some are approaching this level.

The Republic of South Africa is by far the largest African producer, and here the farmers are being urged to increase yields by irrigation, fertilization, variety improvement, and better management. Acreage is being increased in the established areas. Unprecedented frost in July 1964 caused fears of a reduced crop, but it later developed that there would be an increase over the previous year.

Mauritius is the second largest producer of Africa. Some of the most dramatic increases are taking place in Rhodesia (formerly Southern Rhodesia), and there is potential for even further expansion.

Asia and Oceania

Asia produces about 16 percent of the world's sugar. India has the largest acreage in sugarcane of any country in the world; however, less than half of the sugar produced is centrifugal as large amounts go into production of gur (farm brown sugar) and khandsari (plantation white sugar. The latter type is included in USDA estimates of centrifugal sugar production). Production of factory sugar in 1964-65 is expected to increase 10 percent.

The Government of India has adopted a plan of incentives for the purpose of insuring adequate supplies of sugarcane to mills, and to prevent diversion of large quantities of sugarcane from sugar factories to the manufacture of gur. India had a total of 194 sugar factories in production during the 1963-64 season, as compared to 186 in 1962-63.

A record-high output of sugar was reached by the Republic of the Philippines in 1963-64, and an even larger crop is anticipated for 1964-65. Rainfall in 1964 has been adequate and plantings were increased to about 300,000 hectares (almost 750,000 acres). A considerable part of the increase in sugarcane acreage in the Philippines has resulted from a shift from rice to sugar, but indications are that no further shifts are planned.

Favorable world sugar prices encouraged Turkey to increase sugarbeets this year. Weather conditions were very favorable; therefore, a bumper crop of 725,000 tons is forecast. While little change is expected for production in the Republic of China (Taiwan) this year, a much improved crop is expected in the Ryukyu Islands.

Oceania now produces about 2.35 million tons of sugar, 2 million of it in Australia and the remainder in the Fiji Islands. Australia plans to increase acreages and production over the next few years. Heavy mechanization of the growing, harvesting, and handling of sugarcane is being instituted to overcome a labor shortage.